18 August 1988

MEMORANDUM FOR: Chairman, National Intelligence Council

FROM:

Charles E. Allen

National Intelligence Officer for Warning

SUBJECT:

Iraqi Suspicions

Iraq is informing members of the UN Security Council that the UN Secretary General's pending announcement tomorrow on the Iran-Iraq cease-fire, is so inappropriate and inaccurate that it will cause unspecified "grave consequences." Iraq has threatened to not attend the Geneva talks, beginning on 25 August, unless the announcement is changed.

- 2. The Iraqis believe that the proposed announcement goes beyond any commitment made by Baghdad and that it has been handled in a preemptory fashion by Perez de Cuellar. The proposed text assumes substantive agreements that Iraq has yet to make, contains items described as substantive which were to be left to direct talks in Geneva, and includes at least an implied agenda which has not been approved by Iraq. Iraq has urged the Security Council members to persuade the Secretary General to accept alternative formulations.
- 3. This incident illustrates the fragility of the peace process. Given Iraq's suspicions of the Iranians and of Perez de Cuellar motives, Baghdad needs little incentive to interrupt the progress towards peace and seize its is at a loss to account for objectives by force. Perez de Cuellar's actions unless they are somehow designed to accommodate <u>Iranian positions</u>
- 4. Iraqi commitment to the peace talks is not strong, and we see no reduction in the readiness of the 27 Iraqi divisions deployed opposite Khuzestan. The Arab states, including Saudi Arabia, have prevailed on Iraq to stop the fighting, but agree with Saddam Hussein that Iran cannot be trusted and that direct talks must occur without conditions.

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